GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2020
ANSWERED ON:12.12.2008
INVESTMENT LIMIT IN STOCK EXCHANGES
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Will the Minister of FINANCE be pleased to state:

(a) Whether the Government and SEBi are unlikely to raise investment limit for single investors in stock exchanges from present level;

(b) If so, the facts thereof;

(c) Whether there is a consensus over raising the limit for single investor; and

(d) If not, the steps taken by the Government in this regard?

Answer

MINISTER OF STATE FOR FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (d): The Securities and Exchange Board of India has decided that six categories of shareholders,namely,public financial institutions,stock exchanges,depositories,clearing corporations,bank and insurance companies may be allowed to hold,directly or indirectly,up to 15% of the paid up equity share capital of the concerned stock exchange.Any shareholder,other than the aforesaid six categories of investors,may hold directly or indirectly,as per the existing norms, not more than 5% of the paid up equity share capital of a stock exchange.